



HOUSE BILL No. 5950

November 29 1994 Introduced by Reps Profit and Palamara and referred to the Committee on Taxation

A bill to amend sections 2, 8, 18, 19, 20, 21, 23, 24, 24b, 24c, 27, 27a, 30c, and 154 of Act No 206 of the Public Acts of 1893 entitled as amended

"The general property tax act,

sections 2 and 27a as amended by Act No 313 of the Public Acts of 1993, section 8 as amended by Act No 254 of the Public Acts of 1983 section 18 as amended by Act No 189 of the Public Acts of 1994, section 24c as amended by Act No 237 of the Public Acts of 1994 section 27 as amended by Act No 283 of the Public Acts of 1989, section 30c as added by Act No 297 of the Public Acts of 1994 and section 154 as amended by Act No 539 of the Public Acts of 1982, being sections 211 2, 211 8, 211 18, 211 19, 211 20 211 21 211 23 211 24, 211 24b 211 24c 211 27 211 27a 211 30c, and 211 154 of the Michigan Compiled Laws

THE PEOPLE OF THE STATE OF MICHIGAN ENACT

1 Section 1 Sections 2, 8, 18, 19, 20, 21 23 24 24b, 24c,
2 27, 27a, 30c, and 154 of Act No 206 of the Public Acts of 1893,
3 sections 2 and 27a as amended by Act No 313 of the Public Acts
4 of 1993, section 8 as amended by Act No 254 of the Public Acts
5 of 1983, section 18 as amended by Act No 189 of the Public Acts
6 of 1994, section 24c as amended by Act No 237 of the Public Acts
7 of 1994, section 27 as amended by Act No 283 of the Public Acts
8 of 1989, section 30c as added by Act No 297 of the Public Acts
9 of 1994, and section 154 as amended by Act No 539 of the Public
10 Acts of 1982, being sections 211 2, 211 8, 211 18, 211 19,
11 211 20, 211 21, 211 23, 211 24, 211 24b, 211 24c, 211 27,
12 211 27a, 211 30c, and 211 154 of the Michigan Compiled Laws, are
13 amended to read as follows

14 Sec 2 (1) For the purpose of taxation, real property
15 includes all lands within the state, all buildings and fixtures
16 on the land, and appurtenances ~~thereto~~ TO THE LAND except as
17 expressly exempted by law and includes all real property owned
18 by the state or purchased or condemned for public highway pur-
19 poses by any board, officer commission, or department of the
20 state and sold on land contract, notwithstanding the fact that
21 the deed has not been executed transferring title

22 (2) The taxable status of persons and real and personal
23 property for a tax year shall be determined as of each December
24 31 of the immediately preceding year, which is considered the tax
25 day, any provisions in the charter of any city or village to the
26 contrary notwithstanding An assessing officer is not restricted

1 to any particular period in the preparation of the assessment
2 roll but may survey examine or review properties at any time
3 before or after the tax day

4 (3) BEGINNING DECEMBER 31, 1994 AND EACH YEAR AFTER 1994,
5 THE TAXABLE VALUE OF REAL PROPERTY SHALL NOT INCREASE, EXCEPT AS
6 PROVIDED IN THIS ACT UNTIL OWNERSHIP OF THE REAL PROPERTY IS
7 TRANSFERRED IN A NONEXEMPT TRANSFER WHEN OWNERSHIP OF REAL
8 PROPERTY IS TRANSFERRED IN A NONEXEMPT TRANSFER, THE REAL PROP-
9 ERTY SHALL BE REASSESSED ON DECEMBER 31 OF THE YEAR IN WHICH THAT
10 TRANSFER OCCURRED

11 (4) ALL PROPERTY ASSESSABLE AS REAL PROPERTY ON DECEMBER 31,
12 1993 SHALL REMAIN ASSESSABLE AS REAL PROPERTY

13 (5) ~~(3)~~ Notwithstanding a provision to the contrary in any
14 law if real property is acquired for public purposes by purchase
15 or condemnation, all general property taxes, but not penalties,
16 levied during the 12 months immediately preceding but not
17 including, the day title passes to the public agency shall be
18 prorated in accordance with this subsection The seller or con-
19 demnee is responsible for the portion of taxes from the levy date
20 or dates to, but not including the day title passes and the
21 public agency is responsible for the remainder of the taxes If
22 the date that title will pass cannot be ascertained definitely
23 and an agreement in advance to prorate taxes is desirable, an
24 estimated date for the passage of title may be agreed to In the
25 absence of an agreement, the public agency shall compute the pro-
26 ration of taxes as of the date title passes The question of
27 proration of taxes shall not be considered in any condemnation

1 proceeding As used in this paragraph levy date means the day
2 on which general property taxes become due and payable In addi-
3 tion to the portion of taxes for which the public agency is
4 responsible under the provisions of this subsection, the public
5 agency is also responsible for all general property taxes levied
6 on or after the date title passes and before the property is
7 removed from the tax rolls

8 (6) ~~-(4)-~~ In a real estate transaction between private par-
9 ties in the absence of an agreement to the contrary the seller
10 is responsible for that portion of the annual taxes levied during
11 the 12 months immediately preceding, but not including, the day
12 title passes, from the levy date or dates to, but not including,
13 the day title passes and the buyer is responsible for the remain-
14 der of the annual taxes As used in this subsection levy date
15 means the day on which a general property tax becomes due and
16 payable

17 (7) AS USED IN THIS SECTION OR SECTION 3 OF ARTICLE IX OF
18 THE STATE CONSTITUTION OF 1963 OR BOTH

19 (A) FIXTURES MEANS PROPERTY INSTALLED ON OR IN REAL PROP-
20 ERTY TO SERVICE ANY BUSINESS OR OTHER OPERATION CONDUCTED ON OR
21 IN THE REAL PROPERTY THAT IMPROVES THE FUNCTIONAL UTILITY OF THE
22 REAL PROPERTY AS A WHOLE

23 (B) PARCEL' MEANS REAL PROPERTY CLASSIFIED UNDER SECTION
24 34C AS OF DECEMBER 31, 1993

25 (C) 'WHEN OWNERSHIP OF THE PARCEL OF PROPERTY IS TRANSFERRED
26 AS DEFINED BY LAW, THE PARCEL SHALL BE ASSESSED MEANS REAL

1 PROPERTY SHALL BE ASSESSED ON DECEMBER 31 IN THE YEAR A NONEXEMPT
2 TRANSFER OCCURS

3 Sec 8 (1) ~~For the purposes of taxation, personal prop-~~
4 ~~erty shall include~~ AS USED IN THIS ACT, "PERSONAL PROPERTY",
5 SUBJECT TO SUBSECTION (2), MEANS 1 OR BOTH OF THE FOLLOWING

6 (A) PROPERTY THAT IS MOVABLE OR CAPABLE OF BEING MOVED WITH-
7 OUT DAMAGING BEYOND REPAIR THE PROPERTY ITSELF OR REAL PROPERTY
8 IF IT IS REMOVED FROM REAL PROPERTY

9 (B) PROPERTY THAT SERVES THE OPERATIONS CONDUCTED ON OR IN
10 REAL PROPERTY, BUT DOES NOT IMPROVE THE FUNCTIONAL UTILITY OF THE
11 REAL PROPERTY AS A WHOLE

12 (2) PERSONAL PROPERTY INCLUDES, BUT IS NOT LIMITED TO, THE
13 FOLLOWING

14 ~~(a) All goods, chattels, and effects within the state~~

15 ~~(b) All goods, chattels, and effects belonging to inhab-~~
16 ~~itants of this state, located without this state, except that~~
17 ~~property actually and permanently invested in business in another~~
18 ~~state shall not be included~~

19 ~~(c) All interests owned by individuals in lands the fee of~~
20 ~~which is in this state or the United States, except as otherwise~~
21 ~~provided in this act~~

22 (A) ~~(d)~~ All buildings and improvements located upon leased
23 lands, except where the value of the real property is also
24 assessed to the lessee or owner of those buildings and
25 improvements

26 (B) ~~(e)~~ Tombs or vaults built within any burial grounds
27 ~~—~~ and kept for hire or rent, in whole or in part, and the stock

1 of a corporation or association owning the tombs vaults or
 2 burial grounds

3 ~~(f) All other personal property not enumerated in this sec-~~
 4 ~~tion, and not especially exempted by law~~

5 (C) ~~(g)~~ The personal property of gas and coke companies,
 6 natural gas companies, electric light companies, waterworks com-
 7 panies, hydraulic companies, and pipe line companies transporting
 8 oil or gas as public or common carriers to be assessed in the
 9 township, village, or city where the personal property is
 10 located The mains, pipes, supports, and wires of these com-
 11 panies, including the supports and wire or other line used for
 12 communication purposes in the operation of those facilities, and
 13 the rights of way and the easements or other interests in land by
 14 virtue of which the mains, pipes, supports, and wires are erected
 15 and maintained, shall be assessed as personal property in the
 16 township, village or city where laid, placed, or located
 17 Interests in underground rock strata used for gas storage pur-
 18 poses whether by lease or ownership separate from the surface of
 19 real property shall be separately valued and assessed as per-
 20 sonal property in the township village or city in which located
 21 to the person who holds the interest These interests in ~~such~~
 22 THE underground rock strata shall be reported as personal prop-
 23 erty to the assessor for all ~~such~~ property descriptions
 24 included in the storage field in the township, village or city
 25 and a separate valuation shall be assessed for each school
 26 district The personal property of street railroad, plank road,
 27 cable or electric railroad or transportation companies bridge

1 companies and all other companies not required to pay a specific
 2 tax to the state ~~in lieu~~ INSTEAD of all other taxes shall,
 3 except as ~~hereinafter~~ provided IN THIS SUBDIVISION, be assessed
 4 in the township, village, or city where the property is located,
 5 used, or laid, and the track, road, or bridge of ~~such~~ a company
 6 shall be held to be personal property ~~None of the~~ THE prop-
 7 erty assessable as personal property under this subdivision
 8 ~~shall be~~ IS NOT affected by any assessment or tax levied on the
 9 lands through or over which the ~~same~~ PERSONAL PROPERTY is laid,
 10 placed, or located ~~, nor shall any~~ ANY right-of-way easement,
 11 or other interest in land ~~, be~~ assessable as personal property
 12 under this subdivision ~~, be~~ IS NOT extinguished or otherwise
 13 affected ~~in case~~ IF the property subject ~~thereto shall be~~ TO
 14 THE RIGHT-OF-WAY, EASEMENT, OR OTHER INTEREST IS sold in the
 15 exercise of the taxing power

16 (D) ~~(h)~~ During the tenancy of a lessee, leasehold improve-
 17 ments and structures installed and constructed on real property
 18 by the lessee provided and to the extent the improvements or
 19 structures add to the true cash value of the real property not-
 20 withstanding that the real property is encumbered by a lease
 21 agreement, and the value added by the improvements or structures
 22 is not otherwise included in the assessment of the real property
 23 or not otherwise assessable under subdivision ~~(j)~~ (F) The
 24 cost of leasehold improvements and structures on real property
 25 shall not be the sole indicator of value Leasehold improvements
 26 and structures assessed under this subdivision shall be assessed
 27 to the lessee

1 (E) ~~(+)~~ A leasehold estate received by a sublessor from
 2 which the sublessor receives net rentals in excess of net rentals
 3 required to be paid by the sublessor except to the extent that
 4 the excess rentals are attributable to the installation and con-
 5 struction of improvements and structures assessed under
 6 subdivision ~~(h)~~ (D) or ~~(j)~~ (F) or included in the assessment
 7 of the real property For purposes of this act, a leasehold
 8 estate ~~shall be~~ IS considered to be owned by the lessee receiv-
 9 ing ~~such~~ THE additional net rentals A lessee in possession
 10 ~~shall be~~ IS required to provide the assessor with the name and
 11 address of its lessor Taxes imposed by this act on ~~such~~ THESE
 12 leasehold estates ~~shall become~~ ARE a lien against the rentals
 13 paid by the sublessee to the sublessor

14 (F) ~~(j)~~ To the extent not assessed as real property, a
 15 leasehold estate of a lessee created by the difference between
 16 the income that would be received by the lessor from the lessee
 17 on the basis of the present economic income of the property as
 18 defined and allowed by section 27(4) minus the actual value to
 19 the lessor under the lease This subdivision shall not apply to
 20 property when subject to a lease entered into before
 21 January 1 1984 for which the terms of the lease governing the
 22 rental rate or the tax liability have not been renegotiated after
 23 December 31, 1983 This subdivision shall not apply to a non-
 24 profit housing cooperative As used in this subdivision,
 25 nonprofit cooperative housing corporation means a nonprofit
 26 cooperative housing corporation ~~which~~ THAT is engaged in
 27 providing housing services to its stockholders and members and

1 ~~which~~ THAT does not pay dividends or interest upon stock or
 2 membership investment but ~~which~~ THAT does distribute all earn-
 3 ings to its stockholders or members

4 (3) ALL PROPERTY ASSESSABLE AS PERSONAL PROPERTY ON DECEMBER
 5 31, 1993 SHALL REMAIN ASSESSABLE AS PERSONAL PROPERTY

6 Sec 18 (1) Each supervisor or other assessing officer, as
 7 soon as possible after entering upon the duties of his or her
 8 office, or as may be directed and required by the provisions of
 9 any acts of incorporation of any city or village making special
 10 provisions for the assessment, shall ascertain the taxable prop-
 11 erty of his or her assessing district, and the persons to whom it
 12 should be assessed and their residences For this purpose he or
 13 she shall require every person of full age and sound mind or firm
 14 or corporation that the supervisor or assessor believes has per-
 15 sonal property in their possession to make and subscribe to a
 16 true and correct written statement ~~, under oath, administered by~~
 17 ~~the supervisor or assessing officer, or other officer qualified~~
 18 ~~to administer oaths under the laws of this state,~~ of all the
 19 personal property of the person firm, or corporation whether
 20 owned by the person firm or corporation or held for the use of
 21 another, and every person firm or corporation shall make the
 22 statement under the following form ~~of oath, duly administered~~
 23 ~~by the supervisor or assessing officer~~

24 State of Michigan)

25) ss

26 County of)

1 ~~being duly sworn~~ ~~deposes~~
 2 ~~and~~ says that the above is a full and true statement of all the
 3 personal property owned by him or her or the firm or corporation
 4 situated in this assessing district and of all the personal prop-
 5 erty in the possession of the undersigned

6 (Signed)

7 Dated this day of A D 19

8 ~~Subscribed and sworn to before me this day of~~

9 ~~A D 19~~

10

11 ~~Supervisor (or assessor)~~

12 (2) A person firm, or corporation ~~not~~ having NO
 13 ASSESSABLE personal property ~~that is not exempt,~~ if required to
 14 ~~take an oath by the supervisor or assessor, may take the follow-~~
 15 ~~ing oath~~ MAKE A STATEMENT SHALL MAKE THE FOLLOWING STATEMENT

16 State of Michigan)

17) ss

18 County of)

19 , ~~being duly sworn,~~

20 ~~deposes and~~ says that he or she or the firm or corporation has
 21 no personal property or effects liable to taxation

22 Dated this day of A D

23 19

24 (Signed)

25 ~~Subscribed and sworn to before me this day of~~

26 ~~A D 19~~

1 _____
2 Supervisor (or assessor)

3 (3) If a supervisor ~~OR~~ assessing officer ~~OR~~ county
4 ~~tax or equalization department, provided for in section 34,~~ or
5 if the state tax commission considers it necessary in the proper
6 administration of this act to require from any person a written
7 statement ~~under oath~~ of real property assessable to that
8 person, it shall notify the person, and that person, natural or
9 legal, shall make the statement

10 (4) BEGINNING DECEMBER 31, 1994, AND EACH YEAR AFTER 1994, A
11 COUNTY REGISTER OF DEEDS SHALL PROVIDE TO THE APPROPRIATE ASSESS-
12 ING OFFICER WITHIN 45 DAYS OF RECORDING A COPY OF ANY WRITTEN
13 INSTRUMENT RECORDED THAT IS EITHER SUBJECT TO OR EXEMPTED FROM
14 THE TAX IMPOSED BY THE STATE REAL ESTATE TRANSFER TAX ACT, ACT
15 NO 330 OF THE PUBLIC ACTS OF 1993, BEING SECTIONS 207 521 TO
16 207 537 OF THE MICHIGAN COMPILED LAWS THE COPY OF THE WRITTEN
17 INSTRUMENT SHALL BE PROVIDED AT COST TO THE ASSESSING OFFICER OR
18 THE ASSESSING UNIT EXCEPT AS OTHERWISE PROVIDED IN THIS SUBSEC-
19 TION, THE COPY OF THE WRITTEN INSTRUMENT PROVIDED SHALL INCLUDE
20 THE IMAGE OF ANY STAMP REQUIRED UNDER ACT NO 330 OF THE PUBLIC
21 ACTS OF 1993 THAT IS AFFIXED TO THE FACE OF THE INSTRUMENT
22 HOWEVER, IF THE PERSON WHO SUBMITS THE WRITTEN INSTRUMENT FOR
23 RECORDING SPECIFICALLY REQUESTS THAT THE INSTRUMENT BE RECORDED
24 BEFORE ANY STAMP REQUIRED UNDER ACT NO 330 OF THE PUBLIC ACTS OF
25 1993 IS AFFIXED, THE COPY OF THE WRITTEN INSTRUMENT PROVIDED
26 SHALL NOT INCLUDE THE IMAGE OF ANY STAMP OR THE AMOUNT PAID FOR

1 ANY STAMP WHETHER FOUND ON THE FACE OR REVERSE SIDE OF THE
2 INSTRUMENT

3 (5) A COUNTY REGISTER OF DEEDS WHO KNOWINGLY FAILS TO COMPLY
4 WITH THE DISCLOSURE REQUIREMENT SET FORTH IN SUBSECTION (4) IS
5 GUILTY OF A MISDEMEANOR PUNISHABLE BY IMPRISONMENT FOR NOT LESS
6 THAN 30 DAYS OR MORE THAN 6 MONTHS OR BY A FINE OF NOT LESS THAN
7 \$100 00 OR MORE THAN \$1,000 00, OR BOTH A SUPERVISOR, ASSESSING
8 OFFICER, OR ANY MEMBER OF THE BOARD OF STATE TAX COMMISSIONERS
9 WHO HAS PROBABLE CAUSE TO BELIEVE THAT A COUNTY REGISTER OF DEEDS
10 HAS FAILED TO COMPLY WITH THE DISCLOSURE REQUIREMENT SET FORTH IN
11 SUBSECTION (4) SHALL IMMEDIATELY REPORT THAT FAILURE TO THE PROS-
12 ECUTING ATTORNEY FOR THE COUNTY IN WHICH THE PROPERTY THAT IS THE
13 SUBJECT OF THE WRITTEN INSTRUMENT IS LOCATED

14 Sec 19 The written statement ~~under oath,~~ provided for
15 in section 18 shall be in ~~such~~ THE form and of ~~such~~ THE con-
16 tent as ~~may be~~ prescribed by the state tax commission and shall
17 be completed and delivered to the supervisor or assessor on or
18 before February 20 of each year FOR PERSONAL PROPERTY, AND WITHIN
19 45 DAYS OF RECEIPT BY A PROPERTY OWNER OF A WRITTEN REQUEST SENT
20 BY FIRST-CLASS MAIL TO THE APPROPRIATE ASSESSING OFFICER FOR REAL
21 PROPERTY

22 Sec 20 The supervisor or assessor ~~shall~~ MAY not accept
23 any ~~of the statements herein above~~ STATEMENT required BY SEC-
24 TION 19 as final or sufficient, ~~when such statement is not prop-~~
25 ~~erly subscribed and sworn to~~ but THE SUPERVISOR OR ASSESSOR
26 shall preserve the ~~same~~ STATEMENT as in other cases, and ~~such~~
27 THE statement may be used in making the assessment and as

1 evidence in any proceeding ~~which~~ THAT may arise respecting the
 2 making of the assessment of the party furnishing ~~such~~ THE
 3 statement

4 Sec 21 ~~In every case when any~~ IF A person, ~~or~~ member
 5 of any firm, or officer of any corporation ~~shall wilfully~~
 6 ~~neglect~~ WILLFULLY NEGLECTS or ~~refuse~~ REFUSES to make out and
 7 deliver a true and correct ~~sworn~~ statement ~~, under oath,~~
 8 ~~administered by the supervisor or other assessing officer or mem-~~
 9 ~~bers of the board of state tax commissioners herein provided for~~
 10 ~~or other officers~~ or ~~shall answer~~ ANSWERS falsely or ~~refuse~~
 11 REFUSES to answer questions concerning his OR HER property or
 12 property under his OR HER control, as required by this act,
 13 ~~such~~ THAT person ~~shall be deemed~~ IS guilty of a misdemeanor
 14 ~~, and upon conviction thereof shall be punished~~ PUNISHABLE by
 15 imprisonment ~~in the county jail~~ FOR not less than 30 days ~~nor~~
 16 OR more than 6 months ~~, or by~~ A fine OF not less than ~~+00~~
 17 ~~dollars nor~~ \$100 00 OR more than ~~+1,000 dollars~~ \$1,000 00, or
 18 ~~by both such fine and imprisonment in the discretion of the~~
 19 ~~court~~ And it shall be the duty of the THE supervisor, assess-
 20 ing officer, and each member of the board of state tax
 21 commissioners, ~~whenever~~ IF he OR SHE is satisfied that ~~any~~ A
 22 person liable to make ~~such~~ THE assessing statement ~~is justly~~
 23 ~~liable to such penalty, to~~ HAS VIOLATED THIS SECTION, SHALL
 24 report the case to the prosecuting attorney of the county and
 25 make ~~proper~~ A complaint for ~~such~~ prosecution

26 Sec 23 All the statements ~~herein~~ required to be made
 27 and received by the supervisor ~~or assessor~~ ASSESSING OFFICER,

1 OR STATE TAX COMMISSION shall be filed by him OR HER and shall
 2 be presented to the board of review ~~hereinafter~~ provided for IN
 3 THIS ACT, or provided for in any act incorporating any village or
 4 city, for the use of ~~said~~ THE board ~~, and after~~ AFTER the
 5 assessment is reviewed and completed by ~~such~~ THE board of
 6 review, all of the statements shall be deposited in the office of
 7 the township or city clerk, and shall be preserved until after
 8 the next assessment is made and completed ~~, after which they~~
 9 ~~may~~ AFTER THE NEXT ASSESSMENT IS MADE AND COMPLETED THE STATE-
 10 MENTS SHALL be destroyed upon the order of the township board or
 11 city or village council ~~, but no such~~ A statement shall NOT be
 12 used for any ~~other~~ purpose ~~except~~ OTHER THAN the making of an
 13 assessment for taxes as ~~herein~~ provided IN THIS ACT, or for
 14 enforcing the provisions of this act ~~, and any~~ ANY officer or
 15 person who ~~shall make or allow to be made wilfully or~~ knowingly
 16 ~~,~~ ALLOWS any other ~~or unlawful~~ use of any ~~such~~ statement ~~,~~
 17 ~~shall be~~ IS liable to the person making ~~such~~ THE statement for
 18 all damages resulting from ~~such~~ THE unauthorized or unlawful
 19 use of ~~such~~ THE statement ~~All the statements received by the~~
 20 ~~supervisor or assessor shall be made available to the county tax~~
 21 ~~or equalization department mandatorily established under section~~
 22 ~~34 of this act and use of such statements by such county tax or~~
 23 ~~equalization department shall be deemed a use for the purpose of~~
 24 ~~enforcing the provisions of this act~~

25 Sec 24 (1) On or before the first Monday in March in each
 26 year the supervisor or assessor shall make and complete an
 27 assessment roll upon which he OR SHE shall set down the name and

1 address of every person liable to be taxed in ~~his~~ THE township
 2 or assessment district — with a full description of all the
 3 real property ~~therein~~ liable to be taxed If the name of the
 4 owner or occupant of any ~~such~~ tract or parcel of real property
 5 is known, ~~he~~ THE ASSESSOR shall enter the name and address of
 6 ~~such~~ THE owner or occupant ~~as in this act provided,~~ opposite
 7 to the description ~~thereof in all other cases~~ OF THE
 8 PROPERTY IF UNKNOWN the real property described upon ~~such~~
 9 THE roll shall be assessed as 'owner unknown" All contiguous
 10 subdivisions of any section that are owned by 1 person firm, or
 11 corporation ~~—~~ and all unimproved lots in any block that are
 12 contiguous and owned by 1 person, firm, or corporation shall be
 13 assessed as 1 parcel, unless demand in writing is made by the
 14 owner or occupant to have each subdivision of the section or each
 15 lot assessed separately ~~—but~~ HOWEVER, failure to assess
 16 ~~such~~ contiguous parcels as entireties ~~as herein provided~~
 17 ~~shall~~ DOES not invalidate the assessment as made Each descrip-
 18 tion shall show as near as ~~may be~~ POSSIBLE the number of acres
 19 contained in it as determined by the supervisor It ~~shall~~ IS
 20 not ~~be~~ necessary for the assessment roll to specify the quan-
 21 tity of land comprised in any town city or village lot EACH
 22 DESCRIPTION SHALL ALSO CONTAIN THE DATE OF EACH TRANSFER OF THAT
 23 PROPERTY OCCURRING ON OR AFTER DECEMBER 31, 1994 AND THE LIBER
 24 BOOK AND PAGE NUMBER OF ANY RECORDED WRITTEN INSTRUMENT EVIDENC-
 25 ING THAT TRANSFER The ~~supervisor~~ ASSESSOR shall estimate,
 26 according to his OR HER best information and judgment, the true
 27 cash value AS ASSESSED TENTATIVE STATE EQUALIZED VALUE BASE

1 VALUE AND TENTATIVE TAXABLE VALUE of every parcel of real
 2 property and set ~~the same~~ THOSE VALUES down opposite ~~such~~ THE
 3 parcel ~~He~~ THE ASSESSOR shall also estimate the true cash
 4 value AS ASSESSED, AND TENTATIVE TAXABLE VALUE of all the per-
 5 sonal property of each person, and set ~~the same~~ THOSE VALUES
 6 down opposite the name of ~~such~~ THE person In determining the
 7 property to be assessed and in estimating ~~such~~ value, ~~he~~
 8 ~~shall~~ THE ASSESSOR IS not ~~be~~ bound to follow the statements of
 9 any person, but shall exercise his OR HER best judgment
 10 Property assessed to ~~one~~ A PERSON other than the owner shall be
 11 assessed separately from ~~his~~ THE OWNER'S property and shall
 12 show in what capacity it is assessed to ~~him~~ THAT PERSON
 13 whether as agent, guardian, or otherwise Two or more persons
 14 not being copartners owning personal property in common may
 15 each be assessed severally for ~~his~~ EACH PERSON S portion
 16 ~~thereof~~ Undivided interests in lands owned by tenants in
 17 common or joint tenants not being copartners may be assessed to
 18 the owners ~~thereof~~ OF THE UNDIVIDED INTERESTS

19 (2) The state geologist, or his OR HER duly authorized
 20 deputy shall determine, according to his OR HER best information
 21 and judgment the true cash value of the metallic mining proper-
 22 ties and mineral rights consisting of metallic resources ~~which~~
 23 THAT are either producing, developed, or have a known commercial
 24 mineral value, including ~~such~~ surface rights and personal prop-
 25 erty ~~as~~ THAT may be used in the operation or development of the
 26 property assessed ~~also including~~ OR any stock pile of ore or
 27 mineral stored on the surface ~~For the purpose of encouraging~~

1 TO ENCOURAGE the exploration and development of metallic mineral
 2 resources metallic mineral ore newly discovered or proven in the
 3 ground and not part of the property of an operating mine ~~shall~~
 4 ~~be~~ IS exempt from the ~~general property tax laws~~ TAXES UNDER
 5 THIS ACT for a maximum period of 10 years or until ~~such~~ THE
 6 time ~~as~~ it becomes part of the property of an operating mine or
 7 it in itself becomes an operating mine Metallic mineral ore
 8 ~~hereafter~~ NEWLY discovered or proven in the ground and part of
 9 the property of an operating mine ~~shall be~~ IS exempt from taxes
 10 ~~hereunder~~ UNDER THIS ACT until it, in combination with previ-
 11 ously discovered metallic mineral ore of the operating mine,
 12 comes into a 10-year recovery period of ~~said~~ THE mine as deter-
 13 mined by the average normal annual rate of extraction of ~~said~~
 14 THE mine

15 (3) An operating mine ~~shall be~~ IS defined to be an operat-
 16 ing mine as of the date of starting of a shaft, ~~or~~ stripping of
 17 overburden or rehabilitation ~~or~~ OF an abandoned or idle mine
 18 closed for not less than 2 years ~~No ore~~ ORE shall NOT enjoy
 19 more than 10 ~~years~~ YEARS exemption from taxation ~~Nothing~~
 20 ~~herein contained shall~~ THIS SECTION DOES NOT exempt from the
 21 ~~general property tax laws~~ UNDER THIS ACT ore reserves proven
 22 as of April 1, 1947 It is the intent of this act that mineral
 23 properties shall be valued and assessed in the future for ad-
 24 valorem taxes ~~in accordance with~~ ACCORDING TO the formula used
 25 in the valuation of mineral properties ~~prior to~~ BEFORE the
 26 effective date of this act It is the intent of this act that no
 27 metallic mineral ore shall be exempt more than 10 years because

1 of the application of this act and if at any time it becomes
2 evident that ~~such is the case~~ METALLIC MINERAL ORE HAS BEEN
3 EXEMPT MORE THAN 10 YEARS, the state tax commission shall deter-
4 mine the value of this untaxed ore and place this valuation on
5 the proper tax roll The state geologist shall report his OR HER
6 determination of the true cash value of the mineral properties to
7 the state tax commission on or before February 10 of each year
8 The state tax commission shall assess the mineral properties con-
9 taining 20% or more of natural iron per ton of ore in conformity
10 and uniformity with all other property within the assessing
11 district ~~except that any difference between the rate of assess-~~
12 ~~ment of such other property and the rate of assessment of such~~
13 ~~mineral properties for the year 1963 shall be eliminated in 3~~
14 ~~equal adjustments in the years 1964 1965 and 1966~~ The state
15 tax commission shall assess all other metallic mineral properties
16 at the value certified by the state geologist The state tax
17 commission, as early as is practicable ~~prior to~~ BEFORE February
18 20 shall certify the ~~same~~ ASSESSMENT OF THE PROPERTY to the
19 supervisor or assessing officer of the township or city in which
20 the ~~same~~ PROPERTY is situated, who shall ~~in the case of such~~
21 FOR THE mineral properties and mineral rights ~~which~~ THAT are
22 owned separate from the surface rights on ~~such~~ THE property
23 assess ~~the same~~ EACH to the owner ~~thereof~~ at the valuation
24 ~~so~~ certified to him ~~except that~~ OR HER HOWEVER AN
25 adjustment to the value certified by the state tax commission may
26 be made by the supervisor or assessing officer of the township or
27 city to reflect any general adjustment or assessed valuation from

1 the ~~prior~~ IMMEDIATELY PRECEDING year not included in the state
 2 tax commission computation The supervisor or assessing officer
 3 shall determine the true cash value of the surface rights and
 4 assess the same to the owner ~~thereof~~ The assessment upon the
 5 metallic mining properties and mineral rights ~~, as herein~~
 6 ~~defined,~~ may be altered from year to year regardless of whether
 7 any previous assessment ~~thereof~~ has been reviewed by the state
 8 tax commission The supervisor or other local assessing officer
 9 or the owner of any interest in the property assessed may take an
 10 appeal from the assessment and valuation of ~~such~~ THE property
 11 as determined by the board of review to the state tax commission,
 12 which shall review the ~~same~~ ASSESSMENT AND VALUATION as pro-
 13 vided in section 152 ~~of this act~~

14 Sec 24b (1) ~~Effective~~ BEGINNING December 31, ~~1966~~
 15 1994, the tax roll and the tax statement shall clearly set forth
 16 the latest ~~state equalized valuation~~ TAXABLE VALUE for each
 17 item of property The supervisor or assessor shall spread the
 18 taxes on the tax roll on the ~~state equalized valuation~~ TAXABLE
 19 VALUE for each item of property ~~These requirements are inap-~~
 20 ~~plicable if the current year's state equalized valuation is not~~
 21 ~~available when the tax roll or tax statements of a city are to be~~
 22 ~~prepared pursuant to law or charter provision~~

23 (2) AS USED IN THIS ACT, "TAXABLE VALUE" MEANS THE LESSER OF
 24 THE BASE VALUE OR THE STATE EQUALIZED VALUE OF PROPERTY

25 (3) AS USED IN THIS ACT, BASE VALUE MEANS THE FOLLOWING

26 (A) IN 1994, BASE VALUE IS THE PROPERTY'S STATE EQUALIZED
 27 VALUE ON DECEMBER 31 1993

(B) AFTER 1994 BASE VALUE IS 1 OF THE FOLLOWING

(1) IF A NONEXEMPT TRANSFER OF THE OWNERSHIP OF THE PROPERTY OCCURRED DURING THE TAX YEAR, THE PROPERTY'S ASSESSED VALUE ON DECEMBER 31 OF THE YEAR THE PROPERTY WAS TRANSFERRED

(2) IF A NONEXEMPT TRANSFER OF THE OWNERSHIP OF THE PROPERTY DID NOT OCCUR DURING THE TAX YEAR, THE BASE VALUE ON DECEMBER 31 IN THE IMMEDIATELY PRECEDING YEAR, MINUS THE TAXABLE VALUE OF LOSSES, MULTIPLIED BY THE LESSER OF 1 05, THE SUM OF 1 PLUS OR MINUS THE PERCENTAGE CHANGE IN THE GENERAL PRICE LEVEL FOR THE TAX YEAR, OR THE SUM OF 1 PLUS OR MINUS THE PERCENTAGE CHANGE IN THE PROPERTY'S STATE EQUALIZED VALUE FOR THE TAX YEAR, PLUS THE ASSESSED VALUE OF ADDITIONS TO THE PROPERTY AT THE APPLICABLE PROPORTION OF TRUE CASH VALUE

Sec 24c (1) The assessor shall give to each owner or person or persons listed on the assessment roll of the property a notice by first-class mail of ~~an increase~~ A CHANGE in the assessment for the year The notice shall specify each parcel of property the assessed valuation for the year and the immediately preceding year, and the time and place of the meeting of the board of review The notice also may specify the net change in ~~assessment~~ ASSESSED VALUATION

(2) ~~Except as provided by subsection (4) the~~ THE notice shall include, in addition to the information required by subsection (1), all of the following

(a) The state equalized valuation, BASE VALUE, AND TAXABLE VALUE for the immediately preceding year

1 (b) The tentative equalized valuation BASE VALUE AND
2 TENTATIVE TAXABLE VALUE for the year

3 (c) The net change between the tentative equalized
4 valuation, BASE VALUE, AND TENTATIVE TAXABLE VALUE for the year
5 and the state equalized valuation, BASE VALUE, AND TAXABLE VALUE
6 for the previous year

7 (d) The classification of the property as defined by section
8 34c AND WHETHER THE PROPERTY OR A PORTION OF THE PROPERTY IS
9 CLASSIFIED AS HOMESTEAD PROPERTY OR QUALIFIED AGRICULTURAL PROP-
10 ERTY AS THOSE TERMS ARE DEFINED IN SECTION 7DD

11 (3) When required by the income tax act of 1967 Act No 281
12 of the Public Acts of 1967 as amended, being sections 206 1 to
13 206 532 of the Michigan Compiled Laws, the assessment notice
14 shall include or be accompanied by information or forms pre-
15 scribed by Act No 281 of the Public Acts of 1967, as amended

16 ~~(4) The following apply to all assessment notices~~

17 ~~(a) If the tentative equalization multiplier is + 0 for all~~
18 ~~classes of property, the assessment notice may exclude the infor-~~
19 ~~mation required by subsection (2)(b) and (c) and instead specify~~
20 ~~the assessed valuation for the year as both the assessed valua-~~
21 ~~tion and tentative equalized valuation for the year~~

22 ~~(b) If the equalization multiplier for the immediately pre-~~
23 ~~ceding year was + 0 for all classes of property, the assessment~~
24 ~~notice may exclude the information required by subsection (2)(a)~~
25 ~~and instead specify the assessed valuation for the immediately~~
26 ~~preceding year as both the assessed valuation and state equalized~~
27 ~~valuation of the property for the immediately preceding year~~

1 (4) ~~-(5)-~~ The assessment notice shall be addressed to the
2 owner OR TAXPAYER according to the records of the assessor and
3 mailed not less than 10 days before the meeting of the board of
4 review The failure to send or receive an assessment notice does
5 not invalidate an assessment roll or an assessment on that
6 property

7 (5) ~~-(6)-~~ The tentative equalized valuation ~~shall be~~ IS
8 calculated by multiplying the assessment by the tentative equal-
9 ized valuation multiplier If the assessor has made assessment
10 adjustments that would have changed the tentative multiplier the
11 assessor may recalculate the multiplier for use in the notice

12 (6) ~~-(7)-~~ The state tax commission shall prepare a model
13 assessment notice form that shall be made available to local
14 units of government

15 (7) ~~-(8)-~~ Beginning in 1995, the assessment notice under
16 subsection (1) shall include the following statement

17 If you purchased your homestead after May 1 last
18 year, to claim the homestead exemption, if you have
19 not already done so you are required to file an
20 affidavit before May 1 "

21 Sec 27 (1) As used in this act, TRUE cash value means
22 the usual selling price at the place where the property to which
23 the term is applied is at the time of assessment, being the price
24 that could be obtained for the property at private sale, and not
25 at auction sale except as otherwise provided in this section, or
26 at forced sale The usual selling price may include sales at

1 public auction held by a nongovernmental agency or person when
2 those sales have become a common method of acquisition in the
3 jurisdiction for the class of property being valued The usual
4 selling price does not include sales at public auction where the
5 sale is part of a liquidation of the seller's assets in a bank-
6 ruptcy proceeding or where the seller is unable to use common
7 marketing techniques to obtain the usual selling price for the
8 property A sale or other disposition by the state or an agency
9 or political subdivision of the state of land acquired for delin-
10 quent taxes or an appraisal made in connection with the sale or
11 other disposition or the value attributed to the property of reg-
12 ulated public utilities by a governmental regulatory agency for
13 rate-making purposes shall not be considered controlling evidence
14 of true cash value for assessment purposes In determining the
15 value, the assessor shall also consider the advantages and disad-
16 vantages of location quality of soil zoning existing use
17 present economic income of structures, including farm structures
18 present economic income of land if the land is being farmed or
19 otherwise put to income producing use quantity and value of
20 standing timber water power and privileges and mines, minerals
21 quarries, or other valuable deposits known to be available in the
22 land and their value

23 (2) The assessor ~~, beginning December 31, 1976,~~ shall not
24 consider the increase in true cash value that is a result of
25 expenditures for normal repairs, replacement, and maintenance
26 ~~made or completed after December 30, 1976~~ in determining the
27 true cash value of property for assessment purposes until the

1 property is sold For the purpose of implementing this
 2 subsection the assessor shall not increase the construction
 3 quality classification or reduce the effective age for deprecia-
 4 tion purposes except if the appraisal of the property was erro-
 5 neous before nonconsideration of the normal repair, replacement,
 6 or maintenance, and shall not assign an economic condition factor
 7 to the property that differs from the economic condition factor
 8 assigned to similar properties as defined by appraisal procedures
 9 applied in the jurisdiction The increase in value attributable
 10 to the items included in subdivisions (a) to (o) that is known to
 11 the assessor and excluded from true cash value shall be indicated
 12 on the assessment roll This subsection ~~shall apply~~ APPLIES
 13 only to residential property The following repairs shall be
 14 considered normal maintenance if they are not part of a struc-
 15 tural addition or completion

16 (a) Outside painting

17 (b) Repairing or replacing siding roof porches steps
 18 sidewalks and drives

19 (c) Repainting repairing or replacing existing masonry

20 (d) Replacement of awnings

21 (e) Adding or replacing gutters and downspouts

22 (f) Replacing storm windows or doors

23 (g) Insulation or weatherstripping

24 (h) Complete rewiring

25 (i) Replacing plumbing and light fixtures

26 (j) New furnace replacing a furnace of the same type or
 27 replacing oil or gas burner

1 (k) Plaster repairs inside painting or other
2 redecorating

3 (l) New ceiling, wall, or floor surfacing

4 (m) Removing partitions to enlarge rooms

5 (n) Replacing automatic hot water heater

6 (o) Replacing dated interior woodwork

7 (3) ~~Beginning December 31, 1978, a~~ A city or township
8 assessor, a county equalization department, or the state tax com-
9 mission before utilizing real estate sales data on real property
10 purchases, including purchases by land contract, for the purpose
11 of determining assessments or in making sales ratio studies for
12 the purpose of assessing or equalizing assessments shall exclude
13 from the sales data the following amounts allowed by subdivisions
14 (a), (b), and (c) to the extent that the amounts are included in
15 the real property purchase price and are so identified in the
16 real estate sales data or certified to the assessor as provided
17 in subdivision (d)

18 (a) Amounts paid for obtaining financing of the purchase
19 price of the property or the last conveyance of the property

20 (b) Amounts attributable to personal property ~~which~~ THAT
21 were included in the purchase price of the property in the last
22 conveyance of the property

23 (c) Amounts paid for surveying the property pursuant to the
24 last conveyance of the property The legislature may require
25 local units of government, including school districts, to submit
26 reports of revenue lost under subdivisions (a) and (b) and this

1 subdivision so that the state may reimburse those units for that
2 lost revenue

3 (d) The purchaser of real property, including a purchaser by
4 land contract, may file with the assessor of the city or township
5 in which the property is located 2 copies of the purchase agree-
6 ment or of an affidavit ~~which~~ THAT shall identify the amount,
7 if any, for each item listed in subdivisions (a) to (c) One
8 copy shall be forwarded by the assessor to the county equaliza-
9 tion department The affidavit shall be prescribed by the state
10 tax commission

11 (4) As used in subsection (1), present economic income
12 means ~~in the case of~~ FOR leased or rented property the ordi-
13 nary, general, and usual economic return realized from the lease
14 or rental of property negotiated under current, contemporary con-
15 ditions between parties equally knowledgeable and familiar with
16 real estate values The actual income generated by the lease or
17 rental of property ~~shall~~ IS not ~~be~~ the controlling indicator
18 of its cash value in all cases This subsection ~~shall~~ DOES not
19 apply to property when subject to a lease entered into ~~prior to~~
20 BEFORE January 1 1984 for which the terms of the lease governing
21 the rental rate or tax liability have not been renegotiated after
22 December 31, 1983 This subsection ~~shall~~ DOES not apply to a
23 nonprofit housing cooperative ~~when~~ subject to regulatory agree-
24 ments between the state or federal government entered into ~~prior~~
25 ~~to~~ BEFORE January 1, 1984 As used in this subsection
26 "nonprofit cooperative housing corporation" means a nonprofit
27 cooperative housing corporation ~~which~~ THAT is engaged in

1 providing housing services to its stockholders and members and
2 ~~which~~ THAT does not pay dividends or interest upon stock or
3 membership investment but ~~which~~ THAT does distribute all earn-
4 ings to its stockholders or members

5 (5) BEGINNING DECEMBER 31, 1994, THE PURCHASE PRICE PAID IN
6 A TRANSFER OF REAL PROPERTY IS NOT THE PRESUMPTIVE TRUE CASH
7 VALUE OF THE REAL PROPERTY TRANSFERRED IN DETERMINING THE TRUE
8 CASH VALUE OF TRANSFERRED PROPERTY, AN ASSESSING OFFICER SHALL
9 ASSESS THAT PROPERTY USING THE SAME VALUATION METHOD USED TO
10 VALUE ALL OTHER PROPERTY OF THAT SAME CLASSIFICATION IN THE
11 ASSESSING JURISDICTION AS USED IN THIS SUBSECTION, "PURCHASE
12 PRICE" MEANS THE TOTAL CONSIDERATION AGREED TO IN AN ARMS-LENGTH
13 TRANSACTION AND NOT AT A FORCED SALE PAID BY THE PURCHASER OF THE
14 REAL PROPERTY, STATED IN DOLLARS, WHETHER OR NOT PAID IN
15 DOLLARS

16 (6) BEGINNING DECEMBER 31, 1993, THE TRUE CASH VALUE OF PER-
17 SONAL PROPERTY SHALL NOT BE CALCULATED USING CURRENT COST TREND-
18 ING OR CURRENT COST INDEXES BEFORE OR AFTER DEDUCTION FOR ALL
19 FORMS OF DEPRECIATION

20 Sec 27a (1) Except as otherwise provided in ~~subsection~~
21 SUBSECTIONS (2) (3) AND (4), property shall be assessed at NOT
22 MORE THAN 50% of its true cash value ~~pursuant to~~ UNDER section
23 3 of article IX of the state constitution of 1963

24 (2) Assessment of property, as required in this section and
25 section 27, is inapplicable to the assessment of property subject
26 to the levy of ad valorem taxes within voted tax limitation
27 increases to pay principal and interest on limited tax bonds

1 issued by any governmental unit including a county township,
2 community college district or school district before January 1
3 1964, if the assessment required to be made under this act would
4 be less than the assessment as state equalized prevailing on the
5 property at the time of the issuance of the bonds This inappli-
6 cability shall continue until levy of taxes to pay principal and
7 interest on the bonds is no longer required The assessment of
8 property required by this act shall be applicable for all other
9 purposes

10 (3) BEGINNING IN 1995, EXCEPT AS PROVIDED IN SUBSECTION (4),
11 WHEN OWNERSHIP OF A PARCEL OF REAL PROPERTY IS TRANSFERRED, THE
12 PROPERTY SHALL BE REASSESSED AT THE APPLICABLE PROPORTION OF CUR-
13 RENT TRUE CASH VALUE AS USED IN THIS SUBSECTION 'APPLICABLE
14 PROPORTION OF CURRENT TRUE CASH VALUE MEANS THE AVERAGE LEVEL OF
15 ASSESSMENT FOR THAT CLASSIFICATION OF PROPERTY IN THE LOCAL
16 ASSESSING UNIT ON DECEMBER 31 IN THE YEAR THE PROPERTY WAS
17 TRANSFERRED

18 (4) PROPERTY TRANSFERRED BY ANY OF THE FOLLOWING WRITTEN
19 INSTRUMENTS OR IN ANY OF THE FOLLOWING WAYS IS EXEMPT FROM REAS-
20 SEMENT UNDER SUBSECTION (3) OR SECTION 2

21 (A) A TRANSFER IN WHICH THE VALUE OF THE CONSIDERATION FOR
22 THE PROPERTY IS LESS THAN \$100 00

23 (B) A WRITTEN INSTRUMENT EVIDENCING A CONTRACT OR TRANSFER
24 THAT IS NOT TO BE PERFORMED WHOLLY WITHIN THIS STATE ONLY TO THE
25 EXTENT THE WRITTEN INSTRUMENT INCLUDES LAND LYING OUTSIDE OF THIS
26 STATE

1 (C) A TRANSFER THAT THIS STATE IS PROHIBITED FROM TAXING
2 UNDER THE UNITED STATES CONSTITUTION OR FEDERAL LAW

3 (D) A WRITTEN INSTRUMENT GIVEN AS SECURITY OR AN ASSIGNMENT
4 OR DISCHARGE OF THE SECURITY INTEREST

5 (E) A TRANSFER OF LEASED PROPERTY, INCLUDING AN OIL AND GAS
6 LEASE, OR A TRANSFER OF A LEASEHOLD INTEREST

7 (F) A TRANSFER OF INTEREST THAT IS ASSESSABLE AS PERSONAL
8 PROPERTY

9 (G) A TRANSFER OF A RIGHT AND INTEREST FOR UNDERGROUND GAS
10 STORAGE PURPOSE

11 (H) ANY TRANSFER CAUSED BY THE RECORDING OF 1 OR MORE OF THE
12 FOLLOWING WRITTEN INSTRUMENTS

13 (1) A WRITTEN INSTRUMENT IN WHICH THE GRANTOR IS THE UNITED
14 STATES, THIS STATE, A POLITICAL SUBDIVISION OR MUNICIPALITY OF
15 THIS STATE, OR AN OFFICER OF THE UNITED STATES, THIS STATE, OR A
16 POLITICAL SUBDIVISION OR MUNICIPALITY OF THIS STATE, ACTING IN
17 HIS OR HER OFFICIAL CAPACITY

18 (2) A WRITTEN INSTRUMENT GIVEN IN FORECLOSURE OR IN LIEU OF
19 FORECLOSURE OF A LOAN MADE GUARANTEED OR INSURED BY THE UNITED
20 STATES, THIS STATE, A POLITICAL SUBDIVISION OR MUNICIPALITY OF
21 THIS STATE OR AN OFFICER OF THE UNITED STATES, THIS STATE, OR A
22 POLITICAL SUBDIVISION OR MUNICIPALITY OF THIS STATE, ACTING IN
23 HIS OR HER OFFICIAL CAPACITY

24 (3) A WRITTEN INSTRUMENT GIVEN TO THE UNITED STATES, THIS
25 STATE OR 1 OF THEIR OFFICERS ACTING IN AN OFFICIAL CAPACITY AS
26 GRANTEE, UNDER THE TERMS OR GUARANTEE OR INSURANCE OF A LOAN
27 GUARANTEED OR INSURED BY THE GRANTEE

1 (I) A TRANSFER OF PROPERTY FROM A HUSBAND A WIFE OR A
2 HUSBAND AND WIFE CREATING OR DISJOINING A TENANCY BY THE ENTIRE-
3 TIES IN THE GRANTORS OR THE GRANTOR AND HIS OR HER SPOUSE IF
4 EITHER OF THE FOLLOWING CONDITIONS EXISTS

5 (1) THE PROPERTY TRANSFERRED WAS ELIGIBLE AND REMAINS ELIGI-
6 BLE FOR A HOMESTEAD EXEMPTION UNDER THIS ACT

7 (2) THE HUSBAND OR WIFE OR HUSBAND AND WIFE OPERATE A BUSI-
8 NESS FROM THE PROPERTY TRANSFERRED AND THE PROPERTY CONTINUES TO
9 BE USED IN THE OPERATION OF THE BUSINESS BY THE HUSBAND OR WIFE
10 OR BOTH

11 (J) A TRANSFER FROM A MOTHER OR FATHER TO A SON, DAUGHTER,
12 STEPCHILD, OR ADOPTED CHILD

13 (K) A TRANSFER FROM A GRANDMOTHER OR GRANDFATHER TO A GRAND-
14 CHILD, STEP-GRANDCHILD OR ADOPTED GRANDCHILD

15 (L) A JUDGMENT OR ORDER OF A COURT OF RECORD MAKING OR
16 ORDERING A TRANSFER UNLESS A SPECIFIC MONETARY CONSIDERATION IS
17 SPECIFIED OR ORDERED BY THE COURT FOR THE TRANSFER

18 (M) A TRANSFER USED TO STRAIGHTEN BOUNDARY LINES IF NO MONE-
19 TARY CONSIDERATION IS GIVEN

20 (N) A TRANSFER TO CONFIRM TITLE ALREADY VESTED IN A GRANTEE,
21 INCLUDING A QUITCLAIM DEED TO CORRECT A FLAW IN TITLE

22 (O) A TRANSFER BY LAND CONTRACT IN WHICH LEGAL TITLE DOES
23 NOT PASS TO THE GRANTEE UNTIL THE TOTAL CONSIDERATION SPECIFIED
24 IN THE CONTRACT IS PAID

25 (P) A TRANSFER OF MINERAL RIGHTS AND INTERESTS

26 (Q) A TRANSFER CREATING A JOINT TENANCY BETWEEN 2 OR MORE
27 PERSONS IF AT LEAST 1 OF THE PERSONS ALREADY OWNS THE PROPERTY

1 (R) A TRANSFER OF PROPERTY THAT IS FINAL BEFORE DECEMBER 31
2 1994

3 (S) A TRANSFER OF PROPERTY TO A PERSON CONSIDERED A SINGLE
4 EMPLOYER WITH THE TRANSFEROR UNDER SECTION 414(b) OR (c) OF THE
5 INTERNAL REVENUE CODE OF 1986

6 (T) A TRANSFER OF PROPERTY FOR WHICH A HOMESTEAD EXEMPTION
7 IS CLAIMED UNDER THIS ACT IF THE GRANTOR OR THE SPOUSE OF THE
8 GRANTOR OR THE GRANTEE OR THE SPOUSE OF THE GRANTEE ARE 55 YEARS
9 OF AGE OR OLDER AND THE PROPERTY IS HOMESTEAD PROPERTY THAT
10 REPLACES HOMESTEAD PROPERTY LOCATED IN THIS STATE IF THE PROP-
11 ERTY CLAIMED AS REPLACEMENT HOMESTEAD PROPERTY IS FOUND NOT TO BE
12 REPLACEMENT HOMESTEAD PROPERTY, A PENALTY OF 10% OF THE TAX THAT
13 WOULD HAVE BEEN LEVIED ON THE PROPERTY IF IT HAD BEEN REASSESSED
14 AFTER TRANSFER SHALL BE ASSESSED TO THE PERSON CLAIMING THE PROP-
15 ERTY WAS REPLACEMENT HOMESTEAD PROPERTY IN ADDITION TO ANY OTHER
16 TAX LEVIED ON THAT PROPERTY AS USED IN THIS SUBDIVISION,

17 "HOMESTEAD PROPERTY" MEANS THAT TERM AS DEFINED IN SECTION 7DD

18 (U) THE SALE PURCHASE EXCHANGE, OR TRANSFER OF AN OWNER-
19 SHIP INTEREST IN A PARTNERSHIP, CORPORATION LIMITED LIABILITY
20 COMPANY, OR OTHER LEGAL ENTITY IS NOT A TRANSFER OF THE PROPERTY
21 OF THAT PARTNERSHIP, CORPORATION, LIMITED LIABILITY COMPANY OR
22 OTHER LEGAL ENTITY THAT IS CLASSIFIED AS COMMERCIAL OR INDUSTRIAL
23 PROPERTY UNDER SECTION 34C AND THAT IS USED FOR PURPOSES OF OPER-
24 ATING A BUSINESS THIS SUBDIVISION DOES NOT APPLY TO ANY HOME-
25 STEAD PROPERTY AS THAT TERM IS DEFINED IN SECTION 7DD

26 (V) THE SALE, PURCHASE, EXCHANGE OR TRANSFER OF ALL OF THE
27 ASSETS, 80% OF THE GROSS ASSETS, OR 90% OF THE NET ASSETS OF A

1 BUSINESS, WHETHER THE BUSINESS IS ORGANIZED AS A SOLE
 2 PROPRIETORSHIP PARTNERSHIP CORPORATION LIMITED LIABILITY COM-
 3 PANY, OR OTHER LEGAL ENTITY, IS NOT A TRANSFER OF THE PROPERTY OF
 4 THAT BUSINESS THAT IS CLASSIFIED AS COMMERCIAL OR INDUSTRIAL
 5 UNDER SECTION 34C, WHETHER OR NOT A WRITTEN INSTRUMENT EVIDENCING
 6 A TRANSFER OF THAT PROPERTY IS ASSOCIATED WITH THE TRANSACTION
 7 THIS SUBDIVISION DOES NOT APPLY TO HOMESTEAD PROPERTY AS DEFINED
 8 IN SECTION 7DD

9 (W) TRANSFER OF REPLACEMENT PROPERTY FOR PROPERTY THAT WAS
 10 PARTIALLY OR COMPLETELY DESTROYED BY CAUSES BEYOND THE CONTROL OF
 11 THE PROPERTY OWNER OR LESSEE REPLACEMENT PROPERTY SHALL BE COM-
 12 PARABLE IN SIZE AND FUNCTIONAL UTILITY TO THE PROPERTY REPLACED

13 (X) TRANSFER OF REPLACEMENT PROPERTY FOR PROPERTY TAKEN BY
 14 EMINENT DOMAIN PROCEEDINGS, BY ACQUISITION BY A PUBLIC ENTITY, OR
 15 BY GOVERNMENTAL ACTION THAT RESULTED IN A JUDGMENT OF
 16 CONDEMNATION REPLACEMENT PROPERTY SHALL BE COMPARABLE IN SIZE
 17 AND FUNCTIONAL UTILITY TO THE PROPERTY REPLACED

18 (5) AS USED IN THIS SECTION

19 (A) ADDITIONS MEANS 1 OR MORE OF THE FOLLOWING

20 (1) INCREASES IN TRUE CASH VALUE CAUSED BY NEW CONSTRUCTION
 21 OR A PHYSICAL STRUCTURAL ADDITION OF PROPERTY DURING THE CURRENT
 22 YEAR

23 (2) THE TRUE CASH VALUE OF PROPERTY THAT WAS PHYSICALLY
 24 PRESENT ON DECEMBER 31 THAT WAS EXEMPT FROM TAXES ON THE IMMEDI-
 25 ATELY PRECEDING DECEMBER 31

1 (111) THE TRUE CASH VALUE OF PROPERTY PHYSICALLY PRESENT ON
2 DECEMBER 31 THAT WAS INCORRECTLY REPORTED OR OMITTED FROM THE
3 LOCAL ASSESSING UNIT S ASSESSMENT ROLL BEFORE DECEMBER 31, 1993

4 (12) AN INCREASE IN THE PROPERTY S TRUE CASH VALUE DUE TO
5 GENERAL PRICE INCREASES OR TRUE CASH VALUE INCREASES NOT DUE TO
6 NEW CONSTRUCTION OR PHYSICAL STRUCTURAL ADDITIONS, BUT ONLY UP TO
7 THE AMOUNT OF ANY LOSSES PREVIOUSLY INCURRED

8 (13) AN INCREASE IN TRUE CASH VALUE DUE TO AN IMPROVEMENT OF
9 GENERAL REAL ESTATE MARKET AND ECONOMIC CONDITIONS, BUT ONLY UP
10 TO THE AMOUNT OF ANY LOSSES PREVIOUSLY INCURRED

11 (14) AN INCREASE IN TRUE CASH VALUE DUE TO INFLUENCES OUT-
12 SIDE THE PROPERTY ITSELF, BUT ONLY UP TO THE AMOUNT OF ANY LOSSES
13 PREVIOUSLY INCURRED

14 (151) PROPERTY THAT HAD BEEN SUBJECT TO AN INDUSTRIAL FACIL-
15 ITIES EXEMPTION CERTIFICATE AS A NEW FACILITY UNDER ACT NO 198
16 OF THE PUBLIC ACTS OF 1974, BEING SECTIONS 207 551 TO 207 572 OF
17 THE MICHIGAN COMPILED LAWS, THAT EXPIRED SINCE THE IMMEDIATELY
18 PRECEDING DECEMBER 31 EXPIRATION OF THE EXEMPTION CERTIFICATE
19 AND PLACEMENT OF THAT PROPERTY ON THE REGULAR AD VALOREM ASSESS-
20 MENT ROLL SHALL NOT CAUSE THAT PROPERTY TO BE REASSESSED
21 PROPERTY SUBJECT TO AN INDUSTRIAL FACILITIES EXEMPTION CERTIFI-
22 CATE AS A REHABILITATION FACILITY SHALL BE REASSESSED WHEN PLACED
23 ON THE REGULAR AD VALOREM ASSESSMENT ROLL

24 (B) ADDITIONS DO NOT INCLUDE THE FOLLOWING

25 (1) NEW CONSTRUCTION OR PHYSICAL STRUCTURAL ADDITIONS TO
26 REPLACEMENT PROPERTY FOR PROPERTY THAT WAS PARTIALLY OR
27 COMPLETELY DESTROYED BY CAUSES BEYOND THE CONTROL OF THE PROPERTY

1 OWNER OR LESSEE REPLACEMENT PROPERTY SHALL BE COMPARABLE IN
2 SIZE AND FUNCTIONAL UTILITY TO THE PROPERTY REPLACED

3 (11) SPLITS OR COMBINATIONS OF PROPERTY WHERE THERE IS NO
4 NEW CONSTRUCTION OR PHYSICAL STRUCTURAL ADDITIONS

5 (111) AN INCREASE IN TRUE CASH VALUE DUE TO CONSTRUCTION OR
6 INSTALLATION OF PUBLIC UTILITIES OR OTHER PUBLIC INFRASTRUCTURE

7 (C) 'BENEFICIAL USE" MEANS THE RIGHT OF A PERSON TO FULL AND
8 PROFITABLE ENJOYMENT OF PROPERTY WHERE LEGAL TITLE IS HELD BY
9 ANOTHER PERSON

10 (D) "LOSSES" MEANS 1 OR MORE OF THE FOLLOWING

11 (1) DECREASES IN TRUE CASH VALUE CAUSED BY THE DESTRUCTION
12 OF REAL PROPERTY

13 (11) DEPRECIATION CAUSED BY PHYSICAL DETERIORATION

14 (111) THE TRUE CASH VALUE OF PROPERTY THAT WAS ASSESSED IN
15 THE IMMEDIATELY PRECEDING YEAR THAT IS EXEMPT OR REMOVED FROM THE
16 ASSESSMENT ROLL

17 (11) A DECREASE IN THE PROPERTY S TRUE CASH VALUE DUE TO
18 GENERAL PRICE DECREASES OR TRUE CASH VALUE DECREASES NOT DUE TO
19 THE COMPLETE OR PARTIAL DESTRUCTION OR REMOVAL OF BUILDING OR
20 OTHER PROPERTY IMPROVEMENTS FROM THE ASSESSMENT ROLL

21 (11) A DECREASE IN TRUE CASH VALUE DUE TO DEPRECIATION CAUSED
22 BY A DECLINE IN THE REAL ESTATE MARKET OR GENERAL ECONOMIC
23 CONDITIONS

24 (111) A DECREASE IN TRUE CASH VALUE DUE TO INFLUENCES OUTSIDE
25 THE PROPERTY ITSELF

26 (1111) PROPERTY ASSESSED ON THE REGULAR AD VALOREM ASSESSMENT
27 ROLL IN THE IMMEDIATELY PRECEDING YEAR THAT IS REMOVED FROM THE

1 REGULAR AD VALOREM ASSESSMENT ROLL UNDER ACT NO 198 OF THE
2 PUBLIC ACTS OF 1974

3 (E) 'PRESENT INTEREST MEANS A FEE SIMPLE INTEREST AT THE
4 TIME THE PROPERTY IS TRANSFERRED

5 (F) "TRANSFER" MEANS A CONVEYANCE OF A PRESENT INTEREST IN
6 OR BENEFICIAL USE OF REAL PROPERTY THAT IS SUBJECT TO THE STATE
7 REAL ESTATE TRANSFER TAX ACT, ACT NO 330 OF THE PUBLIC ACTS OF
8 1993, BEING SECTIONS 207 521 TO 207 537 OF THE MICHIGAN COMPILED
9 LAWS, FOR CONSIDERATION THAT IS NOT LESS THAN 80% OF THE
10 PROPERTY'S TRUE CASH VALUE AS EVIDENCED BY THE RECORDING OF ANY
11 OF THE FOLLOWING WRITTEN INSTRUMENTS

12 (i) A CONTRACT FOR THE SALE OR EXCHANGE OF ANY INTEREST IN
13 THE PROPERTY

14 (ii) A CONTRACT FOR ANY COMBINATION OF SALE OR EXCHANGE OF
15 ANY INTEREST IN THE PROPERTY

16 (iii) A CONTRACT FOR AN ASSIGNMENT OF ANY INTEREST IN THE
17 PROPERTY

18 (iv) A DEED OR OTHER INSTRUMENT OF CONVEYANCE FOR ANY INTER-
19 EST IN THE PROPERTY FOR CONSIDERATION

20 (G) WRITTEN INSTRUMENT MEANS A DOCUMENT THAT CONVEYS ANY
21 INTEREST IN REAL PROPERTY

22 Sec 30c If a taxpayer has the ~~assessment~~ TAXABLE VALUE
23 reduced on his or her property as a result of a protest to the
24 board of review under section 30, the assessor shall use that
25 reduced amount as the basis for calculating the ~~assessment~~
26 TAXABLE VALUE in the immediately succeeding year If a taxpayer
27 appears before the tax tribunal during the same tax year for

1 which the ~~state-equalized valuation~~ TAXABLE VALUE is appealed
2 and has the ~~state-equalized valuation~~ TAXABLE VALUE of his or
3 her property reduced ~~pursuant to~~ UNDER a final order of the tax
4 tribunal, the assessor shall use the reduced ~~state-equalized~~
5 ~~valuation~~ TAXABLE VALUE as the basis for calculating the
6 ~~assessment~~ TAXABLE VALUE in the immediately succeeding year A
7 REDUCTION IN THE PROPERTY S TAXABLE VALUE BY AN ASSESSING OFFI-
8 CER, THE BOARD OF REVIEW, OR THE MICHIGAN TAX TRIBUNAL ESTAB-
9 LISHES A REBUTTABLE PRESUMPTION OF THE TAXABLE VALUE OF THE PROP-
10 ERTY IN EACH SUCCEEDING TAX YEAR AND AN ASSESSING OFFICER SEEKING
11 TO INCREASE THE PROPERTY'S TAXABLE VALUE BEARS THE BURDEN OF
12 PROOF IN OVERCOMING THAT PRESUMPTION This section applies to an
13 assessment established for taxes levied after January 1, 1994
14 This section does not apply to a change in assessment due to a
15 protest regarding a claim of exemption

16 Sec 154 (1) If it ~~shall be made to appear~~ APPEARS to
17 the state tax commission at any time that as a matter of fact any
18 property liable to taxation has been incorrectly reported or
19 omitted OR HAS NOT BEEN REASSESSED IN THE YEAR TRANSFERRED for
20 any previous year, but not to exceed the current assessment year
21 and 2 years immediately preceding the date of discovery and dis-
22 closure of the incorrect reporting, ~~or of the~~ omission, OR
23 REASSESSMENT, the state tax commission shall place the corrected
24 assessment value for the appropriate years on the then current
25 assessment roll The commission shall further certify to the
26 proper collecting treasurer the amount of taxes due as computed
27 by the correct annual rate of taxation for each year except the

1 then current year ~~In case of~~ IF THERE HAS BEEN A change in
 2 ownership of the property these taxes shall not be spread against
 3 the property ~~prior to~~ BEFORE the last change of ownership

4 (2) If assessment changes made ~~pursuant to~~ UNDER this sec-
 5 tion result in increased property taxes, ~~such~~ THE additional
 6 taxes shall be collected in the same manner and at the same time
 7 and with the same property tax administration fees penalties,
 8 and interest as current year s taxes PENALTIES AND INTEREST
 9 SHALL NOT BE ASSESSED FOR ADDITIONAL TAXES DUE BECAUSE THE PROP-
 10 ERTY WAS NOT REASSESSED IN THE YEAR OF TRANSFER IF THE FAILURE TO
 11 REASSESS THE PROPERTY WAS NOT THE FAULT OF THE PROPERTY OWNER OR
 12 TAXPAYER

13 (3) If assessment changes made ~~pursuant to~~ UNDER this sec-
 14 tion result in a decreased tax liability, a refund of excess tax
 15 payments shall be made by the county treasurer and shall include
 16 interest at the rate of 1% per month or fraction ~~thereof~~ OF A
 17 MONTH from the date of the payment of the tax to the date of the
 18 payment of the refund ~~Such~~ THE refunds shall be charged by
 19 the county treasurer to the various taxing jurisdictions in the
 20 same proportion as the taxes were levied

21 (4) A person to whom property is assessed ~~pursuant to~~
 22 UNDER this section may appeal the state tax commission determina-
 23 tions to the Michigan tax tribunal

24 (5) AS USED IN THIS SECTION, "TRANSFER" MEANS THAT TERM AS
 25 DEFINED IN SECTION 27A